

State of Alaska FY2008 Governor's Operating Budget

Dept of Commerce, Community, & Economic Development Community Development Quota Program RDU/Component Budget Summary

RDU/Component: Community Development Quota Program

(There is only one component in this RDU. To reduce duplicate information, we did not print a separate RDU section.)

Contribution to Department's Mission

Develop annual reports, regulations and investigate fraud.

Core Services

Review annual reports submitted by CDQ groups and act to prevent fraud.

End Results	Strategies to Achieve Results
<p>A: Review annual reports submitted by CDQ groups and act to prevent fraud.</p> <p><u>Target #1:</u> All groups are in compliance with program requirements.</p> <p><u>Measure #1:</u> Percentage of groups in compliance.</p>	<p>A1: Verify compliance with program requirements.</p> <p><u>Target #1:</u> Ensure CDQ groups make no more than 20% annual investment in in-region non-fisherires related investment per new federal law.</p> <p><u>Measure #1:</u> Review audited financial statements to ensure non-fisherries investments do not exceed 20% of annual investments.</p>

Major Activities to Advance Strategies

- Determine harvest amounts of fish to allocate to community development groups in the Bering Sea and the Aleutian Islands.

FY2008 Resources Allocated to Achieve Results

FY2008 Component Budget: \$377,400	Personnel:	
	Full time	2
	Part time	0
	Total	2

Performance Measure Detail

A: Result - Review annual reports submitted by CDQ groups and act to prevent fraud.

Target #1:All groups are in compliance with program requirements.

Measure #1: Percentage of groups in compliance.

Year	YTD Total
2005	0
2006	0
	0%

Analysis of results and challenges: In order to comply with new federal law (P.L. 109-241), the legislature

must pass a new statute to allow the the Division of Banking and Securities to require annual reports from the CDQ groups and to prevent fraud

A1: Strategy - Verify compliance with program requirements.

Target #1: Ensure CDQ groups make no more than 20% annual investment in in-region non-fisheries related investment per new federal law.

Measure #1: Review audited financial statements to ensure non-fisheries investments do not exceed 20% of annual investments.

Percentage of investments Reviewed

Fiscal Year	Quarter 3	YTD Total
FY 2006	0	0

Analysis of results and challenges: This is a new measurement. Due to the newly passed coast guard bill in 2006, the data will be available in 2007

Key Component Challenges

A new federal law requires the Alaska Division of Banking and Securities to review a new Annual Report filed by each of the six CDQ groups, and act to prevent fraud.

Significant Changes in Results to be Delivered in FY2008

At present, there are no State fraud statutes or regulations that apply to the CDQ program. A new statute is needed to effectuate the directive from the U.S. Congress and this should be addressed in the next Legislative session.

Major Component Accomplishments in 2006

Government oversight of the CDQ program has changed from day to day oversight, to financial oversight of a new Annual Report and to prevent fraud.

Statutory and Regulatory Authority

6 AAC 93 Community Development Quota

Contact Information
<p>Contact: Greg A. Cashen, CDQ Manager Phone: (907) 465-5536 Fax: (907) 465-5085 E-mail: greg_cashen@commerce.state.ak.us</p>

**Community Development Quota Program
Component Financial Summary**

All dollars shown in thousands

	FY2006 Actuals	FY2007 Management Plan	FY2008 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	205.0	217.4	248.7
72000 Travel	17.2	17.7	17.7
73000 Services	79.9	106.5	111.0
74000 Commodities	0.3	0.0	0.0
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	302.4	341.6	377.4
Funding Sources:			
1004 General Fund Receipts	0.0	0.0	35.6
1156 Receipt Supported Services	302.4	341.6	341.8
Funding Totals	302.4	341.6	377.4

Estimated Revenue Collections

Description	Master Revenue Account	FY2006 Actuals	FY2007 Manageme nt Plan	FY2008 Governor
Unrestricted Revenues				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
Restricted Revenues				
Receipt Supported Services	51073	302.4	341.6	341.8
Restricted Total		302.4	341.6	341.8
Total Estimated Revenues		302.4	341.6	341.8

**Summary of Component Budget Changes
From FY2007 Management Plan to FY2008 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2007 Management Plan	0.0	0.0	341.6	341.6
Adjustments which will continue current level of service:				
-FY 08 Health Insurance Increases for Exempt Employees	0.0	0.0	0.2	0.2
-Fund Source Adjustment for Retirement Systems Increases	31.1	0.0	-31.1	0.0
Proposed budget increases:				
-FY 08 Internal Dept Cost Increase due to Retirement Systems Rate Increases	4.5	0.0	0.0	4.5
-FY 08 Retirement Systems Rate Increases	0.0	0.0	31.1	31.1
FY2008 Governor	35.6	0.0	341.8	377.4

**Community Development Quota Program
Personal Services Information**

Authorized Positions		Personal Services Costs		
	<u>FY2007</u>	<u>FY2008</u>		
	<u>Management</u>	<u>Governor</u>		
	<u>Plan</u>			
Full-time	2	2	Annual Salaries	147,881
Part-time	0	0	Premium Pay	0
Nonpermanent	0	0	Annual Benefits	103,835
			<i>Less 1.20% Vacancy Factor</i>	<i>(3,016)</i>
			Lump Sum Premium Pay	0
Totals	2	2	Total Personal Services	248,700

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
CDQ Manager	1	0	0	0	1
Financial Instit Exam III	0	0	1	0	1
Totals	1	0	1	0	2